While the primary concern of the Congress is our defense posture requiring adequate fuel supplies, I wish to call to the attention of the committee the great importance of oil and gas development, production and refining to the economy of Louisiana, and the great contributions made to the operation of our state government by the revenues from oil and gas severance taxes as well as lease payments and royalties on state-owned lands.

The following table illustrates the importance of these revenues to our state:

LOUISIANA STATE INCOME FROM OIL AND GAS PRODUCTION

Fiscal year ending June 30	Oil and gas severance taxes	Royalties	Bonuses	Total
1962	$146,200,000	$63,044,751	$11,487,274	$220,732,025
1963	159,486,000	72,442,329	32,472,546	264,400,875
1964	168,630,000	75,592,223	27,024,352	271,246,575
1965	174,524,000	79,593,199	30,461,309	284,578,508
1966	200,261,000	92,627,077	35,270,967	328,159,044
1967	225,000,000	107,303,648	11,908,138	344,211,786

These figures do not include property taxes, income taxes, sales taxes, and many other taxes generated by the petroleum industry. They do not include taxes on motor vehicle fuels in Louisiana which last year resulted in revenues of $82,410,000. When these taxes on motor fuels are added to the total state income from severance taxes, royalties and lease bonuses, the 1967 petroleum industry revenues to the state totaled $426,622,000 from these sources alone. This was well over 60 percent of all revenues from all sources collected by the State of Louisiana in the year 1967.

It is apparent that the industry's contributions to our government services, including roads, highways, public education, and other vital functions are of such magnitude that these funds—if substantially reduced or cut off—would be virtually irreplaceable without a massive infusion of federal monies. I call attention to these facts only to show that, to the extent that the domestic petroleum industry is further displaced by foreign oil, Louisiana and her sister oil- and gas-producing states would be denied revenues which are vital to the operation of our state government.

Beyond the contributions to our state government, industry operations in Louisiana are a prime stimulus to our entire state economy. In 1967, almost 50,000 Louisianians were employed in oil- and gas-producing activities, and some 9,800 in our petroleum refineries. Additional thousands were employed in service, supply and equipment firms serving the industry—and in other activities dependent upon oil and gas industry activities.

I bring these facts to the attention of the Committee only to illustrate that there are substantial reasons, in addition to our overriding security requirements for dependable oil supplies, for limiting oil imports to reasonable but firm levels for the long-range. A breakdown in existing import standards, such as the proposal to permit up to 300,000 barrels daily of unneeded foreign oil over and above the 12.2 import ratio as a "bonus" to companies complying with local air pollution standards, would result in fewer jobs, less income, and lower revenues in all our oil-producing states.

I urge that the committee, in considering this issue, take these factors into account. But while they are of extreme importance to Louisiana, to Texas, to Oklahoma, to California, and to our other oil-producing states, they are secondary to the most important consideration: The need to restore new vigor to the search for and development of domestic petroleum supplies required to meet our rapidly expanding demands for these energy forms. In my judgment, the hope of meeting our future energy needs requires a firm—rather than a constantly eroding—program to limit petroleum imports.

The CHAIRMAN. Are there any questions? If not, then, thank you again, Mr. Willis.

The Honorable Garner E. Shriver, of Kansas, is our next witness. Welcome, Mr. Shriver; proceed as you see fit, sir.